FOREIGN
BROADCAST
INFORMATION
SERVICE

Daily Report
Supplement

East Asia

JAPAN
ELECTION CAMPAIGN REPORTAGE

FBIS-EAS-90-020-S
Tuesday
30 January 1990

East Asia
JAPAN
ELECTION CAMPAIGN REPORTAGE

FBIS-EAS-90-020S *30 January 1990*

CONTENTS

JAPAN

- **LDP Factions Look Toward Post-General Election** *[SANKEI SHIMBUN 24, 26-38, 30 Dec]* 1
- **Opposition Party Chief Secretaries Interviewed** *[VOICE Dec]* 4

* LDP Factions Look Toward Post-General Election

902B0051A Tokyo SANKEI SHIMBUN in Japanese 24, 26-28, 30 Dec 89—FOR OFFICIAL USE ONLY

[By Shigeru Okumura, Yoshikazu Tsushima, Satoru Ishii, Hiroyuki Miyano and Tetsuro Hanari]

[24 Dec 89 p 5]

[Text] **Takeshita Faction: All-out Effort To Maintain Largest Faction**

The year 1989, the first year of Heisei, is about to come to a close. It was a year of unprecedented political upheaval with a reversal of the majority and minority parties in the House of Councillors election and a dizzying change of regimes. The various factions of the Liberal Democratic Party (LDP) are setting their sights on the "February general election" and preparing for the political situation after the general election. The speculations and strategies of each faction were investigated.

For the Takeshita faction, "This year feels like we have gone from heaven to hell," (leading faction member).

Drastic tax reforms centering around introduction of the consumption tax, which had been the earnest wish of the government and LDP for 10 years, was accomplished by the Takeshita administration. Just 1 year ago, it was believed that "by this action, a continued administration for a regime over two-terms and 4 years was assured," (same member). Amidst a swell of political distrust due to the Recruit scandal, however, Takeshita stepped down from power and the position of the presidential faction was lost within a mere year and a half.

Yet both the regimes of Uno and Kaifu coming into being following the crumbling of the Takeshita administration were, in fact, regimes that were created by Takeshita faction leadership and came to be called the "Second Takeshita Cabinet" and "Third Takeshita Cabinet." There was no change as it continued its position as the nucleus of the government, successively sending both Hashimoto (now finance minister) and Ozawa into the number two slot of party secretary general.

It is "a battle they cannot lose" (younger member) because, with an eye toward the general election, the faction is pinning down posts to command the election with Secretary General Ozawa and Director of the General Affairs Bureau Nakamura and beyond that, they are preparing to make a total effort to maintain the largest faction. That is because they are familiar with the advantage of numbers from the former Tanaka faction era and they aim to continue holding the leadership in politics even after the general election.

That does not mean that the intentions as a faction are unified concerning political management after the general election. Former Prime Minister Takeshita has advocated seeking cooperation (partial coalition) for each policy topic aimed at the Komeito and Democratic Socialist Party (DSP) based on the fact that the situation of reversal in majority and minority parties in the House of Councillors will not change. As opposed to this, faction Chairman Kanemaru, former deputy prime minister, has expressed the belief that "we should strive for a political reorganization over the next 1 to 2 years." Kanemaru, in particular, has spoken of an LDP-JSP coalition with part of the LDP and the rightist faction of the Japan Socialist Party (JSP) as an axis and there is a big gap between the two leaders.

One of the faction leaders interprets this as "The basic perception is the same. Only it will be the Takeshita version if there are over 260 seats and the Kanemaru version if less than that." It appears that there is plenty of fear that the discord of the two will surface in actual political management.

Although there is agreement within the faction of fully supporting the appointment of a Kaifu administration (2-year term) if the LDP should secure a majority (257) in the general election, opinions are variously divided the future direction, "Next, it should be Abe, former secretary general. That is the will of both Takeshita and Kanemaru," and "Regardless of who is to be next, there should be an opportunity to strive for a change of generations." Since it is certain that Takeshita will not make a faction comeback as an experienced prime minister in management of the faction, it has been heard that Kanemaru aims to be the successor. As the faction successor, however, while there are strong views favoring Ozawa, who jumped ahead in one breath with appointment as secretary general, the possibility cannot be ruled out of supporting highly popular Hashimoto as the candidate for prime minister.

It appears that the key point on which the whole political situation depends is whether they can maintain the centripetal force of the faction as the greatest authority with their advantage of numbers, or if sounds of discord will increase.

[26 Dec 89 p 2]

[Text] **Abe Faction: Tenacity Aimed at "Post-Kaifu"**

For former Secretary General Abe, 1989 could be called "a year of misfortune." He had problems, one after the other, with the Recruit scandal which erupted during his appointment as secretary general (traditionally the route to the prime ministership and party presidency), with his hospitalization and surgery, and after the great defeat in the House of Councillors election, when former Transportation Minister Shintaro Ishihara entered the race for the party presidency and broke away from the faction.

In trying to erase these minus factors a little, Abe vigorously has continued on a nationwide tour begun this fall.

At the lecture halls in various places, he has been introduced as the "post-Kaifu favorite." Showing his extraordinary desire to be next in line to take over the reins of government, he says, "I apologize for the turmoil

of the Recruit scandal. I have completely recovered from my illness. If we don't rebuild the LDP and open up new horizons, I will die feeling that I have not fulfilled my responsibility."

Such boldness by Abe is due to increasing eagerness within the party for a change of generations with the birth of the Kaifu administration and the increasing observation that "Miyazawa's turn at an administration has just about disappeared and we don't know whether an Abe regime is possible either."

For that reason alone, he is aiming to expand his power in the next general election and is giving support to 24 new people. This towers above the various factions. Faction Secretary General Yoshiro Mori also has been individually summoning new candidates and young members who have not solidified their base since October and is eager to take over leadership of the election campaign bodily.

This is the first time that there has been such devotion to the faction since Abe inherited it. Furthermore, except for Chairman of the Policy Affairs Research Council Mitsuzuka who is breaking away from the faction as a party leader, three of "the four heavenly kings" supporting Abe—former Chief Cabinet Secretary Shiokawa, former Agriculture, Forestry and Fisheries Minister Kato, and Mori—are in posts instilling devotion to the faction. There is a determination for "an election in which we absolutely will not lose as a faction so that we can grasp the leadership after the election," (leading member).

To realize an Abe regime, however, they will definitely need the cooperation of the Takeshita faction, the largest faction in the party, with whom they have a sworn friendship relationship. In the Takeshita faction, the relationship of former Prime Minister Takeshita and faction Chairman Kanemaru, former deputy prime minister, recently has been awkward. Abe too has revealed to those around him that "I'll be in trouble if the relationship of those two does not go well," and he himself has tried to mediate between the two. Mitsuzuka also is working from the sidelines to set up a base within the party by stressing a honeymoon relationship with Secretary General Ozawa (breaking away from the Takeshita faction).

Abe, on the other hand, has shown his strong will by undertaking a visit to the Soviet Union in January 1990. He is facing the general election flaunting his healthy "Abe diplomacy" built during the era of the Nakasone administration with plans to meet with Chairman of the USSR Supreme Soviet and Party Secretary Gorbachev and tackling the issue of the return of the Northern Territories which is an ongoing problem. That is because he is helping candidates of the faction and making appeals for an Abe regime both inside and out.

[27 Dec 89 p 2]

[Text] Miyazawa Faction: No Strategy for an Administration Established

With the birth of the Kaifu administration in August, chances have increased for a change of generations within the party. Although some people are saying that "Miyazawa's turn at an administration has just about disappeared," no post-Kaifu strategy has been established by the Miyazawa faction. The House of Councillors members were reduced by nearly half in the July House of Councillors election and so measures of importance for the approaching general election are taking precedence with the Miyazawa faction giving priority to "trying to firm up our base in the general election," (leading member).

After their boss Miyazawa was caught up in the Recruit scandal in December last year and resigned as finance minister and deputy prime minister, the whole faction spent the first half of this year in a kind of penitent mood. In the election for the presidential successor following the resignation of former Prime Minister Takeshita, however, they made "an aggressive move for a group of public officials" (elder), supporting Masayoshi Ito (who later broke away from the faction) of their own faction and persuading then Secretary General Hashimoto and former Health and Welfare Minister Yoshiro Hayashi to run. At the time of the inauguration of the Kaifu administration, they fancied themselves an "anti-mainstream faction" and the last half of the year, there was a kind of sense of satisfaction among affiliated Diet members that "this faction truly does exist," (young member).

However, former Prime Minister Suzuki, who had been a supporter of the faction, declared his retirement. Ito, who at one time had held the centripetal force within the party, also positively refused the presidential succession and afterward, his influence declined along with chances for political reform within the party. The faction continued to be unable to establish itself in a position to take part in party management.

Miyazawa himself gave a "comeback speech" at a faction study meeting in the latter part of September, stating "I want to start over again."

Since then, he recently has begun to demonstrate his eagerness for a comeback by aggressively responding to television and magazine interviews in addition to arranging a meeting with President Bush when he visited the United States even though he had no official position.

On the other hand, however, it is said that "he is one who has to be considered (as prime minister and president) but he is not so brazen as to do it himself." It is a fact that considering Miyazawa's attitude, there are leading members who take the view that "there is no one within the faction who will try to rally around Miyazawa until he sheds some blood himself." Herein rest the hopes of two others that their influence might be restored after the general election: Koichi Kato who, like Miyazawa, is tainted with the Recruit scandal, and Yohei Kono, who has not been baptized in an election since rejoining the party from the New Liberal Club.

No invincible political strategy can be found in the self-confidence that "our faction can become the contact point with a neutral party in a political reorganization," (young member) or the vague hopes for a Miyazawa regime entwined in the belief that "in the midst of world turmoil, those seeking Miyazawa surely will appear," (leading member) if the LDP should drop below a majority in the general election.

In the midst of a rising wave for a change of generations, the immediate issue is "whether Miyazawa will be appointed to an important post such as one in the cabinet after the general election" (leading member) and all indications are that a brake will be put on any generation change taking hold.

[28 Dec 89 p 2]

[Text] **Old Nakasone Faction: Still a Barrier to Watanabe Faction Shift**

For the old Nakasone faction, this year, ravaged by the storm of the Recruit scandal, was "a year we tried to forget, but cannot," (Secretary General Morishita). It was an unexpected situation that former Prime Minister Nakasone, who had reached the summit in a long administration of five years, would be driven to break away from the faction and leave the LDP and that former Chief Cabinet Secretary Fujinami would stand in the seat of judgment.

However, ironically the worst situation for the old Nakasone faction was the accelerated changing of mantles to a "Watanabe faction" backing former Chairman of the Policy Affairs Research Council Watanabe whose is aiming at a post-Kaifu term.

In early December the old Nakasone faction took the lead over other factions in the Election Countermeasures for the House of Representatives Election Headquarters (Watanabe, chairman). Watanabe also has been desperate since the expiration of his term of office to solidify his position as boss by rushing to the aid of young Turks who are unaffiliated with him.

In the distribution of year-end "allowances," Watanabe initially was reluctant about accepting fund support but since he obtained a firm commitment to be appointed next chairman in three meetings with Chairman Sakurauchi, it was decided that he would have the greater share. As a result of his careful attention by equally distributing Y3 million even to Diet members who had declared their retirement, the anti-Watanabe feelings that existed among some within the faction were erased for the most part.

As to whether or not they can shift to a Watanabe organization immediately after the general election, however, the view still dominates that even as before "it will be difficult so long as he does not disband his 'Onchikai [Warm Friends Society]' which could be called a faction within a faction," (leading faction member).

The Onchikai is Watanabe's policy group and there are many participants from other factions such as the Miyazawa faction and Abe faction, not just the old Nakasone faction, and if Watanabe were to launch a faction now, "10 people would shift to the Watanabe faction," (leading member of Onchikai).

Those around Watanabe, however, perhaps seeing that it still will take time for unification within the faction, are cautious about the disbanding of Onchikai, saying, "It is still too early to disband. Having authority outside is necessary for him to maintain influence within the faction."

Moreover, there is a great possibility that Kaifu will continue as prime minister if the LDP should capture Diet seats somewhat exceeding a majority in the general election and the situation would be such that the new leader generation would all have to step down from the stage including not only Watanabe but also Abe and Miyazawa.

For this reason, maintaining current strength (612 in the House of Representatives) in the election is supremely important. Moreover, it is said that "the scenario depicted for launching the Watanabe faction is handing over the position of Onchikai chairman to someone else," (leading member of old Nakasone faction).

Watanabe recently has been meeting privately with former Secretary General Abe and Secretary General Ozawa and it appears to be a move with an eye toward this post-election political situation. However, there are views that so long as there is, at present, no candidate for president except Watanabe within the faction, it would be dangerous for the faction if he were to drop out of the presidential race.

There is a great possibility that the "prophesy" will become a reality that "political turmoil after the election is inevitable. We (old Nakasone faction) probably will be the instigator," (leading member).

[30 Dec 89 p 2]

[Text] **Komoto Faction: Cloudy Prospect for Long-Term Administration**

Four months have passed since the inauguration of the Kaifu cabinet and along with the administration gradually getting on track, it has created a desire in the Komoto faction, the faction from which the prime minister comes, "to win in the general election and with that power, aim at a long-term, full-scale administration." Being a small faction, however, their influence is limited and they cannot hide the weakness of their political power base. It has been forecast that "the fall of Kaifu" will begin directly after the election results and difficult maneuvering is close at hand.

On the evening of 5 December, young Diet members of the Komoto faction with less than three terms gathered at a restaurant in Tokyo and held an "encouragement

party" for Chief Cabinet Secretary Moriyama who had given up switching to the House of Representatives.

There had been mounting opposition to Moriyama who had shown a strong desire within the Komoto faction to transfer to the House of Representatives but at the end of November, Moriyama who was persuaded by former State Minister Komoto, declared her abandonment of the switch, and the matter was settled.

However, there had been a strong sense of danger within the faction regarding this problem to the extent that one of the key members was relieved, saying that "if Moriyama had not given it up, I don't know what would have happened to the Kaifu cabinet. We survived our greatest crisis."

This was because there was strong opposition from other factions protesting Moriyama's transfer, saying that "if she is going to stand for election, she should run after resigning as chief cabinet secretary," and a judgment was made that if a quick settlement was not reached, the base of the Kaifu administration would become shaky.

Under such circumstances, the relationship between the Komoto faction and Moriyama was awkward for a while, but there was an "atmosphere of harmony" at the meeting on the 5th and they "decided to support Moriyama," (attendee).

However, even though the problem facing the faction was settled, it cannot be said that as the presidential faction, the structure supporting Prime Minister Kaifu is perfect. Indeed it is remarkable that they have come this far with the limitations of being a small faction.

Since the inauguration of the Kaifu administration, led by Secretary General Sakamoto (former labor minister), former Director General of the Economic Planning Agency Kondo, House of Representatives Standing Committee on House Management Chairman Oshima and National Countermeasures Committee Deputy Chairman Noro and others within the faction have repeatedly contacted the leading members and young Turks of each faction, and Deputy Chief Cabinet Secretary Fujimoto also has been working actively. It has surfaced, however, that key information and the sentiments of various men with real power have not been fully transmitted to the prime minister concerning a review of the consumption tax and the date for dissolution, and that remains a future problem.

Concerning the date of dissolution, Komoto was firmly opposed to having it take place within the year, and he succeeded in having it postponed until the new year by gathering a consensus of opinion within the party. When 18 February was fixed as the date of the general election, linked to dealing with the revised budget, it appeared to be steamrollered by the general consensus of opinion within the party.

In the review of the consumption tax, Komoto believed that he was moving into a position to demonstrate leadership by leaving the decision to the prime minister, but this too was different from what he expected. Indeed he was exasperated because the prime minister could not demonstrate his unique character as had been anticipated.

On the other hand, one leader revealed his true feelings that "the Kaifu administration originally was a regime made in heaven. Now, regardless of what they say, they are just steadfastly persevering." However, this is because of the fact that they believe that "if they get a majority in the general election, this will be the time when they can create their own regime," (same person).

What will they do to create their own regime? They consider that what is needed now is a "full effort in the general election. Obtaining a majority is the top strategic priority," (leading member). But it is unclear specifically how they will deal with the political situation after the general election.

Secretary General Sakamoto repeatedly contacted Motoharu Arima of the Nikaido Group and succeeded in having him join the Komoto faction, but this too is seen as trying to increase the numbers a little with an eye toward the political situation after the general election.

If the ablutions are completed, it is expected that Abe, Miyazawa and Watanabe, the three new leaders, will make their move to capture the reins of government. There also is concern that former Prime Minister Takeshita's intentions are unclear.

In the midst of this, it appears that there will continue to be difficulties in maintaining the stability of the regime, even though a majority is obtained in the general election.

* Opposition Party Chief Secretaries Interviewed

902B0046A Kyoto VOICE in Japanese
Dec 89 pp 105-119—FOR OFFICIAL USE ONLY

[Interview with Tsuruo Yamaguchi, Japan Socialist Party [JSP]; Yuichi Ichikawa, Komeito; Takashi Yonezawa, Democratic Socialist Party [DSP]; and Shogo Abe, United Social Democratic Party [USDP], by Soichiro Tahara; date and place not given]

[Text] **Special Interview: Is Opposition-Party Rule Possible?; What Are the Intentions of Opposition Party Leaders Who Hold the Key to "Coalition Government"?**

Interviewer's Introduction: Eliminating "Dissatisfaction" Versus Eliminating "Uneasiness"

There have been few Diets in which the members true intentions have been as open as in the current one. The object of the government party, the LDP [Liberal Democratic Party], is "the election," when, and at what kind of opportunity to dissolve the Diet, and how to prepare conditions so as to be able to gain the people's sympathy for the LDP in order to have the greatest advantage in the lower house election. The debate on the consumption

tax, not to mention the suspicions concerning the pachinko incident, has limited the opportunity to arouse the people's sympathy.

However, the force behind the calling of an election was actually the opposition party forces with the JSP as their nucleus. By continuing to advocate resolute crushing of the consumption tax, on which the Takeshita cabinet had staked its fortunes, they achieved a reversal of the government and opposition parties in the July upper house election. But in order to really abolish the consumption tax, it is necessary to stage a reversal of the government and opposition parties in the lower house as well. This means that opposition party forces which have achieved half a victory in the consumption tax fight with the upper house election, now must carry the fight to complete victory through dissolving the lower house and calling for elections.

And if the positions of the government and opposition parties are reversed in the lower house, the probability of the birth of an opposition-party coalition government will increase.

Opposition-party coalition rule.... For a long time it seemed beyond the realm of possibility, but now, with one-half of the conditions met in the upper house election, it has suddenly become a phrase with an air of reality.

The leaders of each opposition party, too, are naturally aware of this, so they are calling for establishment of a coalition government, and behind the scenes there is a fierce struggle for leadership, and moves to inhibit the activities of other opposition parties for that purpose are flying in all directions. Concerned that these moves are too fierce, JSP Chairperson Doi appealed to the parties, saying, "What is needed now is not to emphasize our mutual differences, but how to seek common points, points of agreement." She means "the enemy is the LDP; the objective is to pull the LDP down from political power."

However, the rate of support for the LDP (ASAHI SHIMBUN 21 October) has recovered to 50 percent from the 42 percent of April and June, and, conversely the JSP has fallen to 30 percent from the 33 percent of September.

July's upper house election was held when the Recruit scandal, the consumption tax and liberalization of agricultural products were at their peak, and they were all injurious to the LDP. Therefore, the reaction of the people was to reject the LDP and show their dissatisfaction, and this led to a shift to opposition parties, and to the JSP in particular. However, when it comes to reversal of the government and opposition parties in the lower house, and an opposition-party coalition government, the people's uneasiness in regard to opposition party forces will grow. In that sense, the key words in this Diet, which has been one of dissolution and election, are dissatisfaction and uneasiness.... In contrast to the LDP attempting assiduously to eliminate the people's dissatisfaction, the opposition party forces must strive desperately to eliminate the people's uneasiness. Will elimination of dissatisfaction win, or will elimination of uneasiness? That will be the decisive factor in regard to an opposition party coalition government; the strategies, opinions and situations of opposition party chief secretaries....

Japan Socialist Party Chief Secretary Tsuruo Yamaguchi: "One's Own Policy" Through Mutual Respect

[Tahara] The other opposition parties are rather critical regarding the "Doi Outlook" which Chairperson Doi published at the beginning of September as a guide for consultations on coalition government. What is your view on this point?

Yamaguchi: First of all, at the National Meeting of Chief Secretaries in August, the JSP agreed to maintain the U.S.-Japan Security Treaty and the Self-Defense Forces for the present. However, all the people in the middle-of-the-road parties said that the term "for the present" was strange. I think it is not strange.

To begin with, what I mean by coalition-government consultation is to start by reaching agreement on what we should actually do when we replace the LDP, and what we will be able to do from the next election to the one after that, within the term of a lower house member, which in Japan is 4 years. When that period of "for the present" ends, both the international situation and the people's consciousness will change, so I think it is natural to agree afresh upon what should be done and what can be done next in that situation.

However, there is no use in arguing about such things, so in the Doi proposal we adopted the expression "for the time being." Furthermore, at the last meeting of the central committee, they brought up the stance decided on at the National Meeting of Chief Secretaries—-politically: freedom and democracy; economically: to respect market principles, and to fully recognize that the Japanese-U.S. relationship is the basic axis of international economy—which, put in other words, amounts, does it not, to saying that both economically and politically Japan is "a member of the West." And in the end they approved it unamimously.

[Tahara] But the reaction of the other opposition parties is that, on the whole, it is inadequate. They are saying that they want more resolute proposals, particularly concerning the questions of the U.S.-Japan Security Treaty, the Self-Defense Forces, atomic power generation and the Korean peninsula.

Yamaguchi: The consultations on coalition government began with the April meeting of the leaders of the four parties. At that time we affirmed in writing that this was not a discussion of the various parties coming together, but was really consultation on coalition government, so we would go on respecting the party platforms and basic principles of each other's parties.

To be precise, we have decided on nonalignment, neutrality and demilitarization as the basic objectives of the JSP. We will adhere to this. In exchange, we have no

intention of criticizing the platforms of the Komeito and the Democratic Socialist Party. Therefore, to say that it will be troublesome unless the JSP changes its basic principles or its characteristic policy is contrary to the agreement up to now.

[Tahara] After the upper house election, the consultations on coalition government have had a hard time making progress. Why is that?

Yamaguchi: To be honest, the result of the upper house election was that the JSP was the sole winner. After the election I held a meeting of the chief secretaries of the four opposition parties, and humbly thanked them, saying that the ripple effect of having fought together with them in single-seat districts also manifested itself in two-seat districts, allowing the JSP to win a lot, and that this was a gift bestowed by the cooperation of the Komeito, the Democratic Socialist Party, the United Social Democratic Party and Rengo. I still feel the same way.

But, looking at it from the point of view of the other parties, I think they probably feel that, contending with the general election which is to come, they must make their party's identity clear. In one aspect it is unavoidable that they have that feeling, and all the more so because of that, I think it is necessary that we go on, humbly and sincerely, making every effort on the consultations on coalition government.

[Tahara] The Democratic Socialist Party published on its own a "Nagasue Outlook." It is said that the Komeito, too, will soon publish an "Ishida Outlook." How does the JSP view such moves?

Yamaguchi: I think that the portions of the "Nagasue Outlook" that are expressed as presenting the policy of the Democratic Socialist Party are very good. It makes the identity of the Democratic Socialist Party clear in preparation for the general election, the election policy, as it were, of the Democratic Socialist Party; that is the main part, and in addition, it also probably makes some requests in regard to coalition government. I think this will also be true of the "Ishida Outlook" which is to be published by the Komeito.

One of the things I mean when I say fight together is that each party will go on competing to extend its power. At the same time, in places where conditions are very harsh, as in one-seat districts and so on, the opposition parties will go on cooperating to take Diet seats away from the LDP. I think it has these two aspects.

[Tahara] Will not the very consultations on coalition government end up being destroyed if, as the result of competing, the parties emphasize only their mutual differences?

Yamaguchi: In Europe, such places as Austria, for example, currently have coalition governments. In other countries as well, when we look at the circumstances which precede formation of a coalition government, in elections each party asserts its independence, and they compete fiercely with each other. But the result of the election is that no party commands a majority. It is only when it becomes a question of what to do about the government, and they may have various unpleasant thoughts, but talk emerges of taking charge of political power on this occasion for the sake of the people by forming an alliance. It appears that in Europe there is not much repeated discussion of coalition government prior to an election.

However, in Japan there has not been any experience with coalition government for a long time, since the Katayama cabinet, and because of that, we have been holding talks, thinking that it is necessary, before the fact, to make an effort to cram in as much negotiation as possible, and to make an effort to reach agreement if possible.

[Tahara] Incidentally, according to a recent public opinion poll, the rate of support for the LDP has recovered a majority, and conversely, the JSP has declined, correct?

Yamaguchi: While Kaifu said at the beginning that he would make "bold improvements" in the consumption tax, he has gradually toned it down. I think that, as might be expected, the kind of improvements that the people hope for are impossible. In spite of that, Kaifu is now doing his best to spread the illusion that some of the hoped for improvements might be possible. If after this we enter debate on the consumption tax, and go on to make clear that the improvements, too, are pie in the sky, an illusion, the situation will change of itself.

[Tahara] Finally, in order for the four oppositon parties, the JSP, the Komeito, the Democratic Socialist Party and the United Social Democratic Party, to occupy a majority in the lower house in the next election, the JSP will have to run at least 180 candidates by itself. Will that adjustment be possible?

Yamaguchi: At present 143 have come forward, but the JSP is not a party like the Communist Party in which the will of those above is tranmitted to those below. After all, it is a party of mutual consent and unity, not of democratic centralization. Ultimately, it is a setup in which the central headquarters approves candidates whom the prefectural headquarters' have supported. It would be impossible to do something like forcing the prefectural headquarters by telling them arbitrarily from the party central committee to run another candidate. There are some prefectural headquarters that have already decided to close off supporting multiple candidates, and sent us notification of this in writing, so we are now pushing them in return, saying we will not accept that, and insisting that they support multiple candidates.

Komeito Chief Secretary Yuichi Ichikawa: Rose-Colored Dreams Are not Needed for Political Power

[Tahara] First of all, concerning the "Doi Outlook" in which JSP Chairperson Doi has indicated.... How are the Komeito, or you yourself, receiving it as the JSP's guide to planning for coalition government?

Ichikawa: There was an explanation from the JSP to the effect that it is not a draft plan for political power addressed to the Komeito and the Democratic Socialist Party, so we are accepting it with that expectation, but frankly speaking, the positions of the government and opposition parties were reversed in the upper house, so the gate to political power opened half-way. For a document published under these kinds of conditions, it is very inadequate.

The JSP's basic perception and assessment of the Self-Defense Forces and the U.S.-Japan Security Treaty, which have become a bottleneck for the vital consultations on opposition party coalition government, are flawed, and the problem of nuclear power generation has hardly been mentioned. Its perception and assessment have hardly been mentioned in regard to the Korean problem as well. Well, that does not constitute the start of a debate on opposition party government. That is the way I look at it.

[Tahara] What, precisely, is most impossible for the Komeito to consent to in regard to the security treaty and the Self-Defense Forces?

Ichikawa: To be frank, I think that striving to build an international situation where a security treaty is not necessary is the ideal, and that we, too, must strive for that. But does the JSP affirm or deny the function of the deterring role which the U.S.-Japan Security Treaty possesses? This point is extremely vague.

[Tahara] It is vague concerning the Self-Defense Forces, too, is it not. The previous chairperson, Ishibashi, said that they are a violation of the Constitution, but are legal.... Would you care to comment on that?

Ichikawa: If Doi were to become prime minister and sit on the Budget Committee, the very first thing that the LDP, acting as an opposition party, would ask is "Prime Minister Doi, are the Self-Defense Forces unconstitutional or constitutional? The cabinet has the duty to protect the Constitution." What kind of answer do you think Doi would give at that point? Doi is a constitutional scholar, so I expect that most of the Japanese people would like to know that.

I think that what the Japanese people are now seeking from the JSP is not that it do anything like bring out extreme differences with the LDP in regard to the security treaty or the Self-Defense Forces; rather they would say "JSP, please approve the status quo in a satisfactory manner." "And please show the possibility of realistic government by guaranteeing continuity." I think that is probably what they would say.

[Tahara] In regard to this guaranteeing of continuity to which you refer, what about the consumption tax? Is this to be, not continuity, but firm abolition?

Ichikawa: It will be abolition. For one thing, it was a violation of a campaign pledge. That is, the LDP committed a big error in the democratic process. Another thing is it they did not spend time to adequately debate this kind of important question.

[Tahara] However, if the LDP side were allowed to speak, it would say that Nakasone's sales tax, which was a violation of a campaign pledge, was crushed. And as far as the consumption tax is concerned the reason it was not possible to spend time debating it is because the JSP, in particular, stayed in bed and did not show up at the Diet.

Ichikawa: That is not true. The Council on Tax Reform is not a decisionmaking body. It was created strictly as a venue for government-party opposition-party deliberation, and after the LDP forced through the abolition of the tax exemption for small savings deposits, the council has not held a single meeting.

[Tahara] But the Komeito and the Democratic Socialist Party were present at the Diet session last year which dealt with the consumption tax. They opposed the consumption tax, but they did not refuse to discuss it.

Ichikawa: We, being in the tight spot of forcing a vote or refusing to discuss it, took the position of a responsible opposition party, that refusing to discuss it was unsportsmanlike, and that we should debate, and because of this we suffered greatly.

Actually, at an earlier time, before either the JSP or the Democratic Socialist Party suggested anything, the Komeito proposed a basic tax-reform bill to the Diet independently. Touched off by this, it developed into talk of the JSP, the Komeito and the Democratic Socialist Party making a joint proposal, but in the end, our serious proposal ended up being cancelled out by the question of whether to force a vote or refuse to discuss it.

[Tahara] Apart from the process, what about the consumption tax itself. What is wrong with it? Or what should be done with what part?

Ichikawa: I think we should make reconsideration of the corporation tax an important pillar.

[Tahara] What exactly would you do with the corporation tax?

Ichikawa: I would treat the corporation tax as an indirect tax, and allow the cost to be passed on through products or services.

[Tahara] What would that amount to?

Ichikawa: The current corporation tax is a tax imposed on profits, but it should be imposed on sales, regardless of whether or not there are profits; in compensation for that, please pass along the cost. And I would also review in a broad fashion all sorts of corporate fringe benefits.

[Tahara] In other words, you mean that you would seek in the corporation tax a source of revenue to replace that of the consumption tax. Naturally, the corporation tax would go up, right?

Ichikawa: It would rise as a total. Of course, it does not mean that I would seek the entire amount from the corporation tax.

[Tahara] Does your reform have other pillars?

Ichikawa: Taxation on aggregate income. By introducing a system of taxpayer identification numbers.... By this means, correction of the unfair tax system would be carried out over about 10 years.... The prospect ought to begin to be visible.

[Tahara] Well then, on the matter of an opposition party coalition government, if one is realized, what will change, and what will improve compared with the present LDP government?

Ichikawa: I think the fact that another group will take a turn at governing will be the biggest change; and that it will become a political reformation. After all, there has been no alternation of political power in the 44 years since World War II....

In that sense, the opposition parties should not do go about scattering rose-colored dreams of what they will change and what they will improve when they get power. I think that in the midst of today's harsh situation at home and abroad, the most important thing is not what would change compared with the LDP government, but the creation of conditions where all the people of the nation will be able to entrust things to an opposition party coalition government with peace of mind.

[Tahara] That is certainly true. Until the upper house election, dissatisfaction with the LDP filled the people, but now, is it rather uneasiness toward an opposition party coalition government which is stronger?

Ichikawa: Therefore, we will dispel that uneasiness. That is important, particularly regarding Japanese-U.S. relations, and the defense problem, and the energy problem.... Therefore, we are constantly calling upon the JSP to treat political continuity as something precious, and to have realistic flexibility.

[Tahara] Lastly, I would like to ask whether you would accept, if in the next election neither the LDP nor the JSP/Komeito/Democratic Socialist Party failed to get a majority, and the LDP invited the Komeito to participate in a government with them.

Ichikawa: We would absolutely not join with them. We would not accept.

[Tahara] Why is that?

Ichikawa: After all, there would be no way to join with an LDP which calls for an election because it is pressed to clear off debts from LDP-type politics, and has not even been able to accomplish this satisfactorily, has not even been able to reform politics.

Democratic Socialist Party Chief Secretary Takashi Yonezawa: A Government Cannot be Formed by an "Alliance of Opposition Parties"

[Tahara] The point at issue in the Diet is whether to abolish the consumption tax or to improve it, correct? But is it not true, when we look at the upper house by-election in Ibaraki and various public opinion polls, that Japanese public opinion regarding the consumption tax is changing?

Yonezawa: It is probably a question of how you assess the will of the people which was manifested in the upper house election, but as our party sees it, we would like to return the consumption tax to a blank sheet of paper, and then discuss it thoroughly and make a fresh start again on a reform of the tax system that is easy for the people to understand. By that I mean that we will not take, as opposition parties have up to now, the irresponsible attitude of merely expressing opposition and telling the government and the ruling party to think of the rest. Though it was an ordeal, the four opposition parties completed a plan on what to do about substitute sources of revenue for the 2 years till it would be possible to reach agreement on real tax reform.

[Tahara] For the Democratic Socialist Party, what is the biggest reason why the current consumption tax must be abolished rather than improved?

Yonezawa: The LDP is praising itself, saying that it spent 10 years discussing tax reform, but the people have a strong impression that this is the first they have heard of it. It is our position that this is because the procedure was wrong, because they did not hold the kind of discussions which would be able to gain the people's understanding. If we allowed a consumption tax that came into being in that manner to continue to exist, there would always remain among the people a feeling that they have not understood it, nor have they acknowledged it, and that the way of introducing it was outrageous. It would constantly be taken up as a political problem, the sterile arguments of the two extremes of being necessary and being useless would be rehashed, and, conversely it could easily damage the stability of the political situation.

[Tahara] In that case, you are saying that you are not opposed to the large indirect tax itself, but strictly that there was something wrong with the process of introducing the current consumption tax.

Yonezawa: From the very beginning the Democratic Socialist Party has said consistently that there are quite a few defects in the current consumption tax, but that with the arrival of an aging society one can probably not evade the idea of something like a consumption tax. At the same time, the consumption tax has certainly taken root to some extent in terms of the national economy, so we also fully acknowledge that it will cost something to start afresh. Furthermore, we are also aware that the

abolition of the excise tax was also done to solve a contradiction in the tax system for the sake of internationalization.

However, in order to devise a substitute source of revenue for Y6 trillion in the event the consumption tax is abolished, we proposed temporarily reviving the excise tax in a scaled-down version that would not exceed the present burden, and we obtained the agreement of other opposition parties. Even in the case of automobiles, to be sure, the consumption tax's provisional rate of 6 percent would rise to 8 percent, but this would be a tax imposed at the manufacturer's level, so it is expected that the burden for the consumer would be about 5 or 6 percent, no different from now.

[Tahara] But if you abolish the consumption tax, and it is an excise tax with the same rate, it would probably not constitute a substitute source of revenue.

Yonezawa: As might be expected, we did employ the tactic of maintaining the tax rate for jewels and precious metals, which are called luxury items, and for which the tax rate was 15 percent with the old excise tax, and we kept this at a maximum level of 10 percent, but if I were asked whether, in that case, it is perfectly coherent, I would have to reply in the negative.

[Tahara] Well now, the LDP is planning in this Diet session to keep the content of the "bold improvement" of the consumption tax secret for the present, and first thoroughly attack the opposition parties' bill for abolishing the consumption tax and their plan for substitute sources of revenue. How will the Democratic Socialist counter this scenario for "rolling back" the opposition?

Yonezawa: In regard to improvement of the consumption tax, the LDP, itself, is still groping in the dark, so I understand its feeling of wanting to ensure caution in order to avoid an unsettled course of action. But when it gets to be the time of dissolving the Diet and holding a general election, even the LDP will have to show the general outline of its improvement. The discussion will not deepen, and the existence of a problem become clear to the people, and their options be set forth, until the LDP's plan for improvement is made public, so we must have them put it out as soon as possible. We are resigned to the fact that our plan will be criticized, but if it is nothing but our side being attacked, it will end up being unfair as a debate on the tax system.

[Tahara] It appears that the tactic of the JSP, and so on, will be to drive the lower house into dissolution and a general election by suddenly passing a bill in the upper house to abolish the consumption tax. What is your view on that?

Yonezawa: As a reasonable argument, I think we should make the LDP put out its plan for improvement quickly, and discuss it together with the opposition party plan for abolition. We will not adopt the tactic of doing nothing but fighting, or quickly dissolving the Diet without deliberating on the pending matters of reform of the tax system or the pension problem or political reform. I think the view of the vast majority of the people is that we should dissolve the Diet and make an appeal for voter confidence only after first discussing things thoroughly, and even if we do that, it will only be a difference of 1 or 2 months.

[Tahara] But it is also true, is it not, that there are opposition parties that want to move hastily?

Yonezawa: What the current reversal of conservative and progressive elements in the upper house means is that we have created a situation in which important bills will not pass. The people are the ones who will suffer in such a situation.

Politics does not at all exist for the sake of such individual political parties as the LDP, the JSP and the Democratic Socialist Party, it exists for the sake of the country and the people. But in the last upper house election this lofty ideal ended up being dismissed. If we have a serious debate on policy, and the people choose the JSP as a result of that, it is fine. But I still have the feeling that there are many problems if political choices are made just by saying "Do you like or dislike the consumption tax, is it black or white?" I think it is important to create an environment in the next general election in which we will depend upon the people's selection through calm debate on policy.

[Tahara] Will not the Democratic Socialist Party's identity as a party be diluted if it opposes an opposition party coalition?

Yonezawa: I have heard opinions from those who are concerned about this. However, it is not at all a matter of us trying to cooperate with the JSP because we enjoy doing so. The possibility of the LDP losing the majority and the opposition parties having to take charge of the government exists regardless of whether we like it or not. It is precisely for that reason that we are trying to establish a concept of political power that can gain the trust of the people.

It is also certain that in that government the JSP would become something like the eldest son, so for that reason we are requesting the JSP to become more mature. Unless we can reach agreement on basic policies on such problems as defense, diplomacy and energy, we will not be able for form a coalition government by an "alliance of opposition parties." But we are not going to make a new party by combining the JSP, Komeito and Democratic Socialist Party, so it is probably unreasonable to demand that even the JSP's characteristic policy becomes the same as ours in a single stroke.

[Tahara] Lastly, if the conservatives and progressives should come out evenly in the lower house election, it is fully conceivable that an invitation from the LDP for a coalition would also come to the Democratic Socialist Party. Would you accept it?

Yonezawa: I think that the will of the people that was shown in the upper house election a while ago was rejection of LDP politics, the power of money, corruption, the various forms of sticking together and the opacity of its policy formation stretching over many years. That being the case, even if the LDP were to take charge of the government after the general election, if it became a question of whether the people would permit us to receive one or two cabinet minister posts by shamelessly accepting the LDP's invitation, the answer is clearly "no."

But I suppose it would probably be proper to have a debate as to the advisability of stabilizing the political situation by other methods. If one rejects even that, it leads to a repetition of the election. Even the opposition parties have responsibility for a political vacuum, and depending on the item, even talk of a policy agreement might emerge in order not to keep important bills on the shelf. That is a matter to be considered when the needj arise, one cannot say at this point that one will make a policy agreement, etc.

United Social Democratic Party Chief Secretary Shogo Abe: In Order to Preserve Political Continuity

[Tahara] First of all, please begin with your impression concerning the Doi outlook.

Abe: I feel that she should go into things a bit more deeply. In any case, in a coalition government, opposition parties must come together, you see. I was bothered by her wanting to bring out the basic principles or ideals or some such that the JSP holds. It does not go deeply enough into the point of bringing the whole together.

[Tahara] But the JSP has been for unarmed neutrality and opposed to the security treaty for a long time, so it probably cannot change that easily.

Abe: But is it not true that, even the LDP, while making revision of the Constitution a basic objective, has come along for dozens of years saying that it would not do so in the present political atmosphere? Does not the vast majority of the people also think that the principles which the JSP is espousing are that kind of thing?

[Tahara] You do not object all that much to the "slogan" of unarmed neutrality?

Abe: No, I do not. Continuity is important in politics, and what the people are most uneasy about is that the four parties: the JSP, the Komeito, the Democratic Socialist Party and we, each have their own position, and opinions among them differ. They wonder if an agreement among them is really possible. Therefore, I wish the Doi outlook had gone into that more boldly.

[Tahara] The Komeito and Democratic Socialist Party are fairly critical of the Doi outlook on the U.S.-Japan Security Treaty, the Self-Defense Forces, nuclear power generation and he problem of the Korean peninsula, correct?

Abe: They think that in the big picture Japan is a member of the West. The JSP should make this position clearer, and it probably will.

In addition, if a new government, a coalition government, is formed, even Japanese-U.S. relations will not continue in the easy going manner of the present; whether in civilian control or in the three non-nuclear principles, it is bound to become a somewhat more tense, more scrupulous relationship than it is at present. However, we will not cease to be allied countries, or some such, just because of that. America understands that, don't you think?

[Tahara] I wonder. If, for example, the three non-nuclear principles are put into practice in a strict manner as the JSP says will be the case, would there not also be a possibility that the alliance relationship would be destroyed because of a confrontation with America over the third principle (of not bringing in nuclear weapons)?

Abe: I do not have a good understanding of how the three non-nuclear principles have been put into practice up to now, but I do not suppose, do you, that people will demand that everything about military questions like the security treaty be conducted in full public view because there has been a change in the government.

[Tahara] But the JSP says that it will.

Abe: No, it will not. It cannot.

[Tahara] Now, in regard to the consumption tax, the oppositon parties assert that it should be abolished, and as the most important reason they say that it is outrageous because it is a tax system which violates a campaign pledge. The LDP is saying in rebuttal that a new round of tax discussions has been prepared, and asks if the government and the people have not, in fact, entered the ring to interact. Which is right?

Abe: After the recent upper house election, Chairman Nagasue has been saying that there are two causes for the defeat of the Democratic Socialist Party. One is the involvement of former Chairman Tsukamoto in the Recruit scandal. The other is that the handling of the consumption tax at the end of 1988 was wrong. Laying the groundwork by the government with input from industry circles and others had progressed considerably, so it would not do to treat it like the earlier sales tax. He says he judged that if this was the case it would not be a matter of all or nothing, and his party would try to include details which would make it a little more favorable to the people, so they entered the deliberations, but that was a mistake.

[Tahara] Do you mean that by having agreed to the deliberations it looked to the people as though they were getting into bed with the LDP; that is, that they opposed the LDP on the surface, but were really conspiring with the LDP behind the scenes?

Abe: Exactly. In the same way, Chief Secretary Ichikawa of the Komeito said that the reason why the Komeito did

not grow was that there had been a series of scandals. He clearly stated that such scandals mounted up in the Komeito, which heretofore had sailed under the flag of clean government. Another reason for the lack of growth, which could be expected, is the response to the consumption tax at the end of 1988 which was restrained for unexplained reasons.

[Tahara] This means the Komeito and the Democratic Socialist Party are criticizing themselves, does it not. Well, in regard to the consumption tax, should it be abolished if the process was bad?

Abe: Certainly, it should. It is said that in general parliaments came into being in England in connection with tax problems. It began from absolute monarchs collecting taxes arbitrarily, and representatives of the people creating a parliament, and disputing with the king that he could not do whatever he wanted in regard to taxes.

Therefore, under government by political parties the question of what to do with the tax system should be handled as the most important political question in elections. The current series of LDP steps truly deviated from parliamentary politics; therefore, it damaged trust in government in a striking manner. This is an important political incident; if the LDP has not realized its importance, just by that alone, it lacks qualification as a political party....

[Tahara] What do you think should be the central pillar of the new tax system?

Abe: Not to organize the tax system by an agency like the government's Tax Commission, which is convenient for the government, nor, of course, to organize it in an unkempt manner just within the Diet, but to establish a National Council on Tax Reform, limit it to a term of 2 years, discuss things thoroughly there, and decide on the model for tax reform. In democracy process is more important than anything else, and here we would create a system in the proper manner, not cheating. This is what is important.

[Tahara] In what point, precisely, would a National Council on Tax Reform differ from the Tax Commission which has existed up to now?

Abe: The Tax Commission has been made up of only those people who conveniently agreed with the government. In contrast to that, we would make the appointments approved by the Diet; that point would be totally different.

[Tahara] Well, if an opposition party coalition government is formed, how would it differ from an LDP government? What part would improve?

Abe: The monopolar concentration in Tokyo and the rapid rise in land prices.... I think we should boldly and resolutely set our hands to this problem.

[Tahara] Is land the most important problem?

Abe: Yes. To put it in an irresponsible argument, land is the private possession of individuals, but as an idea it is something public; we will conduct urban planning in a proper manner, and will also levy taxes on farm land in the same way as on residential land, and so on.

[Tahara] Do you mean, in other words, that you will carry out a drastic limitation of private rights?

Abe: Unless we go that far, overcrowding and Japan's domestic north-south problem will become more acute, and it will become impossible to do anything about them.

Conclusion: Will They Be Able To Stand up to the LDP's "Drive"?

"They are perplexed and bewildered by the unexpected opportunity"—this was my frank impression when I interviewed the four chief secretaries of the opposition parties.

The truth of the matter is that I think it would be better for both Japanese politics and the LDP for the LDP to be out of government for a while. Because it seems to me that it is impossible to take care of the metal fatigue of having continued to bear the burden of government for 40 years by using emergency measures while continuing to fly, and that major repair, a big reform, is needed.

But, in contrast to the fact that the LDP has a strong sense of crisis, and has performed such blood-letting surgery as exchanging the prime minister for a younger man, and forcing Diet members who violated the rules to resign, opposition party forces are still a long way from being able to cast off the predisposition and thinking of their opposition party days. I cannot sense in the opposition parties a strong desire to capture political power which can stand up to the LDP's sense of crisis, and its tenacity of purpose in clinging fast to political power.

In contrast to the fact that the LDP side is filled to overflowing with a vulgar drive which has abandoned both shame and appearances, the opposition party side is too particular about the interests and the advantages and disadvantages of each party, or rather, before that, the appearance and posturing of each party. With things as they are, the people's uneasiness toward opposition party forces will increase, and will end up surpassing its dissatisfaction toward the LDP. In other words, an opposition party coalition government will not be realized.

It is uncertain whether opposition party forces will abandon looks and posturing, and the ego and appearances of each party, and be able to unveil a desperate energy and drive which would surpass the LDP. To do that would require bold action, for example, dissolving the individual parties and merging together. But can they do it.